EXHIBIT 73
REDACTED

AdX Dynamic Price: Sell Side Review fact sheet

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What is Dynamic Price Optimization

AdX sells impression opportunities to advertisers in a second price auction with reserve price; this reserve price (aka "min cpm") can be set either by the publisher via AdX Inventory Controls ("Rules") interface, or by the publisher's ad server, e.g. via XfP's Dynamic Allocation mechanism.

AdX Dynamic Reserve Price is a scheme to selectively increase reserve price for specific buyers on specific segments of inventory with the goal of increasing revenue earned by the publisher. A nightly pipeline is run to identify inventory, buyers, and magnitude of the dynamically increased reserve price. A data file is pushed to serving, and the dynamically imposed reserve prices are applied on top of any other reserves imposed.

In this launch, we only manipulate min_cpm for "branded" and "semi-transparent" bids submitted to the open auction. Anonymous[1] bids are not affected, and neither are Private Auction or Preferred Deal bids.[2]

AdX buyers buying on both AdSense and AdX publishers will be subject to dynamic reserve pricing, subject to a policy [link] to exempt buyers who submit two bids or second price themselves.

Features used. Dynamic prices are currently set for combinations of ██████████ ██. Note that a publisher is able to set min cpm's at this granularity by themselves in the AdX Inventory Controls interface.

Impact

Based on simulations and live experiments, AdX Dynamic Price ██████████████████ ████████████████████████. ████████████████████████████████ ████████. ████

Benefit to publishers. Publishers benefit from this feature by earning increased revenue from AdX. In aggregate, revenue of AdX publishers increases by 2%, and revenue for AdSense publishers increases by 0.4%, for a network-wide increase of 0.9%.

Impact on buyers. Buyers will experience higher CPM's, lower auction discount, and marginally lower match rate.

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[1] "Anonymous" refers to anonymous inventory; that is, anonymous bidders don't get to see the content_url.
[2] Other types of min cpm increases may be evaluated and considered for future launches.

Risks

On the publisher side, the main risk is setting overly aggressive min_cpm that will end up noticeably reducing a particular publisher's revenue. We can mitigate this risk as follows

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- ██
  ██
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  ██
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TODO(mpal): Review policy with PM & team.

On the buy side, we see 3 main risks.

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- ███
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██
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We'll monitor the third risk item (buyers submitting a nominal second bid to gain exemption) and if we observe buyers behaving this way we'll propose and implement a policy that grants exemption based on the actual revenue impact of buyer's self-pricing behavior.

References

design doc: go/adx-dynamic-price
Buyer Exemption Policy: [link]
launch plan doc for CAQ review: link